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SECTORAL POLICY QUESTIONS

Report of the Second Committee

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I. INTRODUCTION

1. At its 3rd plenary meeting, on 20 September 1996, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its fifty-first session the item entitled:

"Sectoral policy questions:

"(a) Industrial development cooperation;

"(b) Food and sustainable agricultural development"

and to allocate it to the Second Committee.

2. The Second Committee considered the item at its 16th, 17th, 27th, 36th and 37th meetings, on 25 and 28 October, 6 and 25 November and 2 December 1996. An account of the Committee's general discussion of the item is contained in the relevant summary records (A/C.2/51/SR.16, 17, 27, 36 and 37). Attention is also drawn to the general debate held by the Committee at its 3rd to 6th and 8th meetings, from 14 to 17 and on 18 October (see A/C.2/51/SR.3-6 and 8).

3. For its consideration of the item, the Committee had before it the following documents:

(a) Letter dated 30 September 1996 from the Permanent Representative of Colombia to the United Nations addressed to the Secretary-General, transmitting the Declaration of the Movement of Non-Aligned Countries, adopted in New York on 24 September 1996 on the occasion of the celebration of the thirty-fifth anniversary of the founding of the Movement (A/51/462-S/1996/831);

(b) Letter dated 4 October 1996 from the Permanent Representative of Costa Rica to the United Nations addressed to the Secretary-General, transmitting the declaration adopted by the Ministers for Foreign Affairs of the Group of 77 and China at their twentieth annual meeting, held in New York on 27 September 1996 (A/51/471);

(c) Letter dated 5 November 1996 from the representatives of Azerbaijan, Kazakstan, Kyrgyzstan, Turkey, Turkmenistan and Uzbekistan to the United Nations addressed to the Secretary-General transmitting the Tashkent Declaration, signed on 21 October 1996 at the end of the fourth summit meeting of the Heads of State of the Turkish-speaking countries (A/51/664-S/1996/930);

Item 95 (a). Industrial development cooperation

(a) Report of the Secretary-General on sectoral policy questions (A/51/340);

(b) Note verbale dated 11 July 1996 from the Permanent Mission of Bulgaria to the United Nations addressed to the Secretary-General, transmitting the Sofia Declaration on Good-neighbourly Relations, Stability, Security and Cooperation in the Balkans, adopted at the meeting of the Ministers for Foreign Affairs of the countries of South-Eastern Europe, held at Sofia on 6 and 7 July 1996 (A/51/211-S/1996/551);

Item 95 (b). Food and sustainable agricultural development

Report of the Secretary-General on the use of freshwater resources for food and agricultural production, as well as the implications of the results of the Uruguay Round of multilateral trade negotiations for food production, including agro-industrial products and on global food security in developing countries (A/51/431).

4. At the 16th meeting, on 25 October, introductory statements were made by the Director-General of the United Nations Industrial Development Organization on sub-item (a) and by the representative of the United Nations Conference on Trade and Development on sub-item (b) (see A/C.2/51/SR.16).

II. CONSIDERATION OF DRAFT PROPOSALS

A. Draft resolutions A/C.2/51/L.12 and L.46

5. At the 27th meeting, on 6 November, the representative of Costa Rica, on behalf of the Member States that are members of the Group of 77 and China, and also on behalf of Colombia, on behalf of the Member States that are members of the Movement of Non-Aligned Countries, introduced a draft resolution entitled "Industrial development cooperation" (A/C.2/51/L.12), which read as follows:

"The General Assembly,

"Recalling the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the

Developing Countries,[1] the International Development Strategy for the Fourth United Nations Development Decade,[2] and the United Nations New Agenda for the Development of Africa in the 1990s,[3]

"Recalling also its resolution 49/108 of 19 December 1994 on industrial development cooperation,

"Taking note of the Declaration of the Ministers for Foreign Affairs of the Group of 77 and China of 27 September 1996, as well as the communiqué of the Foreign Ministers and Heads of Delegation of the Movement of Non-Aligned Countries of 25 September 1996,

"Noting the far-reaching implications of the process of globalization, trade liberalization and rapid technological change for the economic prospects of the developing countries,

"Reaffirming the renewed urgency for promoting industrialization as an essential element in the sustained economic growth and sustainable development of developing countries, as well as in the eradication of poverty and the creation of productive employment,

"Stressing the need for enhanced international, regional and subregional cooperation in the field of industrial development and the important role played by the United Nations system, in particular the United Nations Industrial Development Organization, in this regard,

"Recognizing the increasing role of the business community, including the private sector, in enhancing the dynamic process of the development of the industrial sector,

"Welcoming the major programme of reform and restructuring undertaken by the United Nations Industrial Development Organization to strengthen its role as the central coordinating agency in the United Nations system in the field of industrial development, with a view to enhancing its relevance, impact, cost-effectiveness and efficiency,

"1. Takes note of the report of the Secretary-General;[4]

"2. Emphasizes the importance of a favourable international and national environment for the industrialization of developing countries and urges all Governments to adopt and implement development policies and strategies that, inter alia, promote enterprise development, productive investments, technological adaptation and innovation, and expanded access

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[1] General Assembly resolution S-18/3, annex.

[2] General Assembly resolution 45/199, annex.

[3] General Assembly resolution 46/151, annex, sect. II.

[4] A/51/340.

to developing country markets in the context of an open, equitable, non-discriminatory, transparent and multilateral rule-based international trading system;

"3. Reiterates the importance of technology transfer to the developing countries as the most effective means of international cooperation in the field of industrial development;

"4. Urges the developed countries to reverse the present trend of declining official development assistance to enable developing countries to augment and supplement domestic resources for the expansion, diversification and modernization of their industrial productive capacity;

"5. Recommends the increasing use of official development assistance as well as new and innovative funding modalities, including, inter alia, co-financing schemes and trust funds, debt-equity swaps and other debt relief measures, industrial joint venture schemes, enterprise-to-enterprise cooperation and venture capital funds for industrial development, particularly in the developing countries;

"6. Calls upon the international community and the relevant organizations and bodies of the United Nations system, in particular the United Nations Industrial Development Organization, to support the efforts of the developing countries to intensify and expand industrial cooperation among themselves with respect to, among other things, trade in manufactured products, industrial investments and business partnerships, as well as industrial technology and scientific exchanges;

"7. Requests the United Nations Industrial Development Organization, in cooperation with the relevant organizations in the United Nations system, to undertake, in the context of supporting South-South cooperation, an in-depth assessment and analysis of best practices and lessons learned in the field of industrial development, so as to provide practical insights and ideas - such cooperation should better enable developing countries to benefit from each other's successful experiences in the formulation of their industrial policies and strategies - and also requests the United Nations Industrial Development Organization to submit a report thereon to the General Assembly at its fifty-third session;

"8. Further requests the United Nations Industrial Development Organization to expand and enhance its interaction with the business community, including the private sector, in assisting the development of the industrial sector in the developing countries, particularly in the field of small and medium-sized enterprise development;

"9. Invites Member States and relevant organizations of the United Nations system to extend support to the successful implementation of the Alliance for Africa's Industrialization, launched on 23 October 1996 at Abidjan by Governments of African countries and the private sector, which aims at accelerating the pace of Africa's industrialization through industrial capacity-building and partnerships between Governments of

African countries and the private sector at the national, subregional, regional and international levels;

"10. Reiterates the importance of cooperation and coordination within the United Nations system in providing effective support to the industrial development of the developing countries, and calls upon the United Nations Industrial Development Organization to continue carrying out its central coordinating role in the field of industrial development to enhance the effectiveness, relevance and development impact of such support;

"11. Requests the Secretary-General to submit to the General Assembly at its fifty-third session a report on the implementation of the present resolution."

6. At the 37th meeting, on 2 December, the Vice-Chairman of the Committee, Mr. Kheireddine Ramoul (Algeria), introduced a draft resolution entitled "Industrial development cooperation" (A/C.2/51/L.46), submitted by him on the basis of informal consultations held on draft resolution A/C.2/51/L.12.

7. Before the adoption of the draft resolution, the representative of the United States of America made a statement (see A/C.2/51/SR.37).

8. At the same meeting, the Committee adopted draft resolution A/C.2/51/L.46 without a vote (see para. 16, draft resolution I).

9. In the light of the adoption of draft resolution A/C.2/51/L.46, draft resolution A/C.2/51/L.12 was withdrawn by its sponsors.

B. Draft resolution A/C.2/51/L.38

10. At the 36th meeting, on 25 November, the representative of Costa Rica, on behalf of the Member States that are members of the Group of 77 and China, and also on behalf of Colombia, on behalf of the Member States that are members of the Movement of Non-Aligned Countries, introduced a draft resolution entitled "Food and sustainable agricultural development" (A/C.2/51/L.38), which read as follows:

"The General Assembly,

"Recalling its resolution 50/109 of 20 December 1995,

"Expressing deep concern at the widespread phenomenon of chronic undernourishment, including among children, particularly in the developing countries,

"Also expressing concern that the scarcity of freshwater in developing countries, in arid and semi-arid regions, has hampered development efforts, especially agricultural development, which is necessary for food security,

"Reaffirming the inalienable right to be free from hunger and malnutrition, as proclaimed in the Universal Declaration on the Eradication of Hunger and Malnutrition,[5]

"Recognizing the contributions made by the major United Nations conferences of the 1990s to an international consensus on food security and related issues,

"Also recalling Economic and Social Council resolution 1996/36 of 26 July 1996 on follow-up to the major international United Nations conferences and summits, including the implementation of their respective programmes of action,

"1. Welcomes the outcome of the World Food Summit held in Rome from 13 to 17 November 1996;

"2. Urges all members of the international community, as well as relevant bodies within the United Nations system, including international and regional financial institutions, to cooperate actively in the implementation of the World Food Summit Plan of Action adopted at the Summit;

"3. Requests that, at its special session for the purpose of an overall review and appraisal of the implementation of Agenda 21, the General Assembly give due attention to the follow-up to the World Food Summit Plan of Action;

"4. Invites the Administrative Committee on Coordination to decide on the inter-agency mechanism for the implementation of the World Food Summit Plan of Action and the incorporation of the mechanism into existing arrangements, and to report to the Economic and Social Council at its substantive session of 1997 in the context of Council resolution 1996/36;

"5. Requests the Secretary-General to report annually to the General Assembly, through the Economic and Social Council, on the implementation of the Universal Declaration on the Eradication of Hunger and Malnutrition[1] and the World Food Summit Plan of Action, in the context of the follow-up to the major United Nations conferences of the 1990s, including the implementation of their respective programmes of action;

"6. Reiterates its invitation to the Director-General of the Food and Agriculture Organization of the United Nations to submit to the General Assembly, at its fifty-second session, through the Economic and Social Council, a report on the outcome of the World Food Summit, including actions to be taken to follow up the outcome of the Summit at all appropriate levels."

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[5] Report of the World Food Conference, Rome, 5-16 November 1974 (United Nations publication, Sales No. E.75.II.A.3), chap. I.

11. At the 37th meeting, on 2 December, the Vice-Chairman, Mr. Kheireddine Ramoul (Algeria), introduced a draft resolution entitled "Food and sustainable agricultural development" (A/C.2/51/L.47), submitted by him on the basis of informal consultations held on draft resolution A/C.2/51/L.38.

12. At the same meeting, the Committee adopted draft resolution A/C.2/51/L.47 without a vote (see para. 16, draft resolution II).

13. After the adoption of the draft resolution, the representative of the Food and Agriculture Organization of the United Nations made a statement (see A/C.2/51/SR.37).

14. In the light of the adoption of draft resolution A/C.2/51/L.47, draft resolution A/C.2/51/L.38 was withdrawn by its sponsors.

Draft decision

15. At the 37th meeting, on 2 December, the Committee decided to take note of the report of the Secretary-General on the use of freshwater resources for food and agricultural production, as well as the implications of the results of the Uruguay Round of multilateral trade negotiations for food production, including agro-industrial products and on global food security in developing countries, submitted under agenda item 95 (b) (see para. 17).

III. RECOMMENDATIONS OF THE SECOND COMMITTEE

16. The Second Committee recommends to the General Assembly the adoption of the following draft resolutions:

DRAFT RESOLUTION I

Industrial development cooperation

The General Assembly,

Recalling the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries,[6] the International Development Strategy for the Fourth United Nations Development Decade,[7] and the United Nations New Agenda for the Development of Africa in the 1990s,[8]

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[6] General Assembly resolution S-18/3, annex.

[7] General Assembly resolution 45/199, annex.

[8] General Assembly resolution 46/151, annex, sect. II.

Recalling also its resolution 49/108 of 19 December 1994 on industrial development cooperation,

Taking note of the declaration adopted by the Ministers for Foreign Affairs of the Group of 77 and China at their twentieth annual meeting, held in New York on 27 September 1996,[9] the communiqué of the Meeting of Ministers for Foreign Affairs and Heads of Delegation of the Movement of Non-Aligned Countries to the fiftieth session of the General Assembly, issued on 25 September 1996,[10] the Midrand Declaration,[11] adopted by the United Nations Conference on Trade and Development at its ninth session, and the conclusions of the summit meeting of seven major industrialized countries, held at Lyon, France, from 27 to 29 June 1996;[12]

Noting the far-reaching implications of the process of globalization, trade liberalization and rapid technological change for the economic prospects of the developing countries and the economies in transition,

Reaffirming the importance of promoting industrialization as an essential element in the sustained economic growth and sustainable development of developing countries, as well as in the eradication of poverty, facilitating social integration, the integration of women into the development process and the creation of productive employment,

Stressing the need for enhanced international, regional and subregional cooperation in the field of industrial development and the important role played by the United Nations system, in particular the United Nations Industrial Development Organization, in this regard,

Recognizing the increasing role of the business community, including the private sector, in enhancing the dynamic process of the development of the industrial sector,

1. Takes note of the report of the Secretary-General;[13]

2. Welcomes the major programme of reform and restructuring process undertaken by the United Nations Industrial Development Organization;

3. Reiterates the importance of cooperation and coordination within the United Nations system in providing effective support to the industrial

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[9] A/51/471, annex.

[10] A/51/473-S/1996/839, annex.

[11] See Report of the United Nations Conference on Trade and Development on its ninth session, held at Midrand, South Africa, from 27 April to 11 May 1996 (TD/378), Part One, sect. A.

[12] See A/51/208-S/1996/543.

[13] A/51/340.

development of the developing countries, and calls upon the United Nations Industrial Development Organization to continue carrying out its central coordinating role in the field of industrial development in the overall context of existing coordinating mechanisms in the United Nations system, inter alia, the Administrative Committee on Coordination and the resident coordinator system, so as to enhance the effectiveness, relevance and development impact of such support;

4. Emphasizes the importance of a favourable international and national environment for the industrialization of developing countries, and urges all Governments to adopt and implement development policies and strategies that promote, within a framework of transparent and accountable industrialization policies, inter alia, enterprise development, foreign direct investment, technological adaptation and innovation, expanded access to markets and the effective use of official development assistance to enable developing countries to enhance an environment attractive to investment so as to augment and supplement domestic resources for the expansion, diversification and modernization of their industrial productive capacity, in the context of an open, equitable, non-discriminatory, transparent, multilateral and rule-based international trading system;

5. Reiterates the importance of technology transfer to the developing countries as an effective means of international cooperation in the field of industrial development;

6. Recognizes the continuing use of official development assistance also for industrial development in the developing countries, and calls on the donor countries and the recipient countries to continue to cooperate in their efforts to achieve greater efficiency and effectiveness of official development assistance resources devoted to industrial development cooperation;

7. Welcomes, in addition, the use of innovative funding modalities, including, inter alia, co-financing schemes and trust funds, debt-equity swaps, as appropriate, and other debt relief measures, industrial joint venture schemes, enterprise-to-enterprise cooperation and venture capital funds for industrial development, in particular in the developing countries;

8. Calls upon the international community and the relevant organizations and bodies of the United Nations system, in particular the United Nations Industrial Development Organization, to support the efforts of the developing countries to intensify and expand industrial cooperation among themselves with respect to, among other things, trade in manufactured products, industrial investments and business partnerships, as well as industrial technology and scientific exchanges;

9. Requests the United Nations Industrial Development Organization, in cooperation with the relevant organizations of the United Nations system, to undertake, in the context of supporting South-South cooperation, an in-depth assessment and further analysis of best practices in the field of industrial policies and strategies and their relevance in particular regional and country situations, and lessons learned in the field of industrial development, so as to provide practical insights and ideas - such cooperation should better enable

developing countries to benefit from each other's successful experiences in the formulation of their industrial policies and strategies - and also requests the United Nations Industrial Development Organization to submit a report thereon to the General Assembly at its fifty-third session;

10. Also requests the United Nations Industrial Development Organization to expand and enhance its interaction with the business community, including the private sector, in assisting the development of the industrial sector in the developing countries and economies in transition, in particular in the field of small and medium-sized enterprise development, and welcomes the creation by the United Nations Industrial Development Organization of the International Business Advisory Council;

11. Invites Member States and relevant organizations of the United Nations system to extend support to the successful implementation of the Alliance for Africa's Industrialization, launched on 23 October 1996 at Abidjan, by Governments of African countries and the private sector, which aims at accelerating the pace of Africa's industrialization through industrial capacity-building, including the agro-industrial field, and partnerships between Governments of African countries and the private sector at the national, subregional, regional and international levels;

12. Emphasizes the importance of the integration of the informal sector into industrial development cooperation, as well as the necessity for the development of human capacities, in particular strengthening women's economic capacity and providing business services to women;

13. Requests the Secretary-General to submit to the General Assembly at its fifty-third session a report on the implementation of the present resolution.

DRAFT RESOLUTION II

Food and sustainable agricultural development

The General Assembly,

Recalling its resolution 50/109 of 20 December 1995 and Economic and Social Council resolution 1995/1 of 10 February 1995,

Expressing deep concern at the widespread phenomenon of chronic undernourishment, in particular among women and children in the developing countries,

Expressing concern that the scarcity of freshwater in developing countries, in arid and semi-arid regions, has hampered development efforts, especially agricultural development, which is necessary for food security,

Reaffirming the right of everyone to have access to safe and nutritious food consistent with the right to adequate food and the fundamental right of everyone to be free from hunger,

Recognizing the contributions made by the major United Nations conferences of the 1990s to an international consensus on food security and related issues,

Recalling Economic and Social Council resolution 1996/36 of 26 July 1996 on follow-up to the major international United Nations conferences and summits, including the implementation of their respective programmes of action,

1. Welcomes the outcome of the World Food Summit, held at Rome from 13 to 17 November 1996;

2. Urges all members of the international community, as well as relevant bodies within the United Nations system, including international and regional financial institutions, to cooperate actively in a coordinated manner in the implementation of the World Food Summit Plan of Action adopted at the Summit;

3. Recommends that, at its special session for the purpose of an overall review and appraisal of the implementation of Agenda 21, the General Assembly give due attention to the follow-up to the World Food Summit Plan of Action;

4. Invites the Secretary-General to ensure that the Administrative Committee on Coordination decides on the inter-agency mechanism for the implementation of the World Food Summit Plan of Action and the incorporation of the mechanism into existing arrangements, and to report to the Economic and Social Council at its substantive session of 1997 in the context of Council resolution 1996/36;

5. Requests the Secretary-General to ensure that a coordinated follow-up at the field level to the World Food Summit is undertaken in the context of the resident coordination system, taking into account the coordinated follow-up to United Nations major international conferences;

6. Also requests the Secretary-General to report to the General Assembly at its fifty-second session on the implementation of the World Food Summit Plan of Action, in the context of the follow-up to the major United Nations conferences of the 1990s, including the implementation of their respective programmes of action;

7. Reiterates its invitation to the Director-General of the Food and Agriculture Organization of the United Nations to submit to the General Assembly at its fifty-second session, through the Economic and Social Council, a report on the outcome of the World Food Summit, including actions to be taken to follow up the outcome of the Summit at all appropriate levels.

17. The Committee also recommends to the General Assembly the adoption of the following draft decision:

Report of the Secretary-General on the use of freshwater resources for food and agricultural production

The General Assembly takes note of the report of the Secretary-General on the use of freshwater resources for food and agricultural production, as well as the implications of the results of the Uruguay Round of multilateral trade negotiations for food production, including agro-industrial products and on global food security in developing countries.[14]

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[14] A/51/431.